

Message Text

CONFIDENTIAL

PAGE 01 CARACA 08517 01 OF 02 261913Z

ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 AID-05 COME-00 EB-08 LAB-04 SIL-01 INT-05

GSA-02 PC-01 AGRE-00 MCT-01 FEA-01 OES-07 /096 W

-----075681 261941Z /53

R 261728Z AUG 77

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 8975

INFO AMEMBASSY KINGSTON

AO

MBASSY BOGOTA 3636

USCINCSO QUARRY HTS CZ

USCINCLANT NORFOLK VA

C O N F I D E N T I A L SECTION 1 OF 2 CARACAS 8517

E.O. 11652: GDS

TAGS: PINS, PINT, EMIN, SWEL, ELAB, VE

SUBJECT: THIS WEEK IN VENEZUALA

REF: CARACAS 8274 (NOTAL)

SUMMARY. AD PARTY CONVENTION TO PROCLAIM LUIS PINEURA ORDAZ OFFICIALLY AS PARTY'S PRESIDENTIAL CANDIDATE AND TO FILL KEY VANCIES IN TOP PARTY POSTS. MAJOR BAUXITE DISCOVERY ACCOUNCED. LABOR TENSION IN THE MARACAY TEXTILE INDUSTRY. BOMB EXPLODES DURING PEREZ SPEECH. HEAVY FLOODING INUNDATES CARICUAO SECTOR OF CARACAS. END SUMMARY.

1. AD PARTY CONVENTION TO PROCLAIM LUIS PINERUA ORDAZ OFFICIALLY AS PARTY'S PRESIDENTIAL CANDIDATE AND TO FILL VACANCIES IN TO PARTY POSTS - HANGING TOGETHER. TOMORROW, AUGUST 27, FORMER PRESIDENT BATANCOURT WILL OFFICIALLY PROCLAIM AD SECRETARY GENERAL LUIS PINERUA ORDAZ THE WINNER OF THE AD JULY 17 PRIMARY (CARACAS 7532 AND 7375)
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PAGE 02 CARACA 08517 01 OF 02 261913Z

AND CONSEQUENTLY AD'S PRESIDENTIAL ASPIRANT DURING A TWO-DAY PARTY CONVENTION. THE CONVENTION IS EXPECTED TO FILL SEVERAL KEY VANCANCIES AS WELL. ANTICIPATED CHANGES INCLUDE: JOSE VARGAS, CTV PRESIDENT TO BE AD FIRST VICE-PRESIDENT, FILLING THE VANCY CAUSED BY THE DEATH OF AUGUSTO MALAVA VILLALBA; ALEJANDRO IZAGUIERRE, PRESENTLY SECRETARY OF ORGANIZATION, TO REPLACE PINERUA AS SECRETARY GENERAL; LUIS ALFARO

UCERO, TO REPLACE IZAGUIRRE IN THE ORGANIZATIONAL POST.

COMMENT: INTEREST IN THE CONVENTION HAS CENTERED DURING THE LAST TWO WEEKS ON THE INTRA-PARTY MANEUVERING ABOUT WHO WOULD FILL THE KEY SECRETARY OF ORGANIZATION POST. AD PARTY PRESIDENT BARRIOS HAS BEEN SUPPORTING ONE OF HIS AMBITIOUS PROTEGES, CEN MEMBER ARTURO HERNANDEZ GRISANTI FOR THIS SLOT. HOWEVER, THE LUSINCHI FORCES PERCEIVED HERNANDEZ GRISANTI AS TOO ACERBIC AND AMBITIOUS AND THREW THEIR SUPPORT TO ALFREDO UCERO, WHO, ALTHOUGH PINERUA'S CAMPAIGN MANAGER, IS PERCEIVED AS HAVING NO POLITICAL AMBITIONS OF HIS OWN. HE IS ALSO SUPPORTED STRONGLY BY BOTH THE AD LABOR AND YOUGH BUREAU. FOR HIS PART, ALEJANDRO IZAGUIRRE, A RESPECTED PARTY PROFESSIONAL, HAS HAD VIRTUALLY NO OPPOSITION FOR HIS NEW SECRETARY GENERAL POST AND IS NOT CONSIDERED A PARTISAN OF EITHER THE PINERUA OR LUSINCHI GROUPS.

THE FOREGOING CHANGES, AND THE EXPECTED CONTINUATION OF IMPORTANT LUSINCHI BACKERS CARLOS CANACHE MATA AND DAVID MORALES BELLO AS CEN MEMBERS INDICATES THAT THE TOP AD LEADERSHIP KNOWS FULL WELL THAT THIS IS NO TIME FOR BLOOD-LETTING, THAT IS ESSENTIAL FOR AD TO GO INTO THE CAMPAIGN UNIFIED BEHIND PINERUA AND TO FORGET THE BRUISING PARTY PRIMARY. WHILE ESSENTIAL PERSONAL DIFFERENCES REMAIN BETWEEN THE PINERUA FORCES (BACKED BY BETANCOURT) AND THE LUSINCHI GROUP (IN ESSENCE SUPPORTED BY PRESIDENT PEREZ), BOTH GROUPS APPARENTLY REALIZE THAT IT IS PREFERABLE TO "HANG
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PAGE 03 CARACA 08517 01 OF 02 261913Z

TOGETHER, THAN TO HANG SEPARATELY."

2. MAJOR BAUXITE DISCOVERY ANNOUNCED. DR. ARGENIS GAMBOA, PRESIDENT OF VENEZUELA'S GUAYANA CORPORATION (CVG) AND MINISTER OF ENERGY AND MINES VALENTIN HERNANDEZ JOINTLY ANNOUNCED A MAJOR BAUXITE DISCOVERY AUGUST 20. LOCATED IN THE SOUTH-WESTERN PART OF BOLIVAR STATE, THIS DEPOSIT, KNOWN AS LOS PIJIGUAOS, WAS REPORTED IN THE PRESS TO CONTAIN AN ESTIMATED 500 MILLION TONS OF EXPLOITABLE ORE, BASED ON EVALUATION OF 20 PERCENT OF ITS AREA. (ADDITIONAL DETAILS REPORTED IN CARACAS A-109).

DESPITE THE FACT THAT THE DISCOVERY SHOULD MAKE VENEZUELA SELF-SUFFICIENT IN THE BAUXITE NEED TO SUPPLY ITS EXPANDING ALUMINUM INDUSTRY, GAMOA ADVISED ECONCOUNSELOR THAT JAMAICAN OFFICIALS WOULD BE IN CARACAS AUGUST 24 TO CONCLUDE AN AGREEMENT TO SUPPLY BAUXITE AND/OR ALUMINA TO CVG FOR A PERIOD OF SEVEN YEARS BEGINNING IN 1978. THE PRESS SUBSEQUENTLY CONFIRMED THAT JAMAICAN MINISTER OF MINES DUDLEY THOMPSON AND BAUXITE INSTITUTE DIRECTOR CARLTON DAVIS DID MEET WITH PRESIDENT PEREZ AND GAMOA TO SIGN SUCH AN AGREEMENT.

3. LABOR TENSION IN THE MARACAY TEXTILE INDUSTRY. TEXTILE WORKERS IN MARACAY BEGAN TO RETURN TO WORK AUGUST 24 FOLLOWING TWO WEEKS OF LABOR UNREST THERE. HOWEVER, THE WORK FORCE CONTINUES TO BE UNHAPPY OVER THE DISMISSAL FROM THEIR JOBS OF 48 WORKERS INCLUDING A NUMBER OF TRADE UNION LEADERS. THE TRADE UNIONS ARE APPEALING A MINISTRY OF LABOR RULING SUPPORTING THE DISMISSALS BY MANAGEMENT, AND UNION REPRESENTATIVES CLAIM THAT MANAGEMENT IS QUIETLY DISMISSING ADDITIONAL WORKERS. TENSION IN MARACAY BECAME INTENSE ON AUGUST 12 WHEN POLICE TOOK OVER TEXTILE FACTORIES WHICH MANAGEMENT CLAIMED WERE THREATENED BY DEFIANT WORKERS. SOME 18 WORKERS WERE INJURED IN THE POLICE TAKE-OVER AND 60 WERE ARRESTED. A NATIONAL COLLECTIVE BARGAINING CONTRACT FOR THE TEXTILE INDUSTRY SIGNED AUGUST 12 AND BELATEDLY
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 CARACA 08517 01 OF 02 261913Z

ENDORSED BY TWO KEY UNIONS IN MARACAY ON AUGUST 15 PROVIDES THE BASIS FOR A RETURN TO NORMALCY IN THE MARACAY INDUSTRY. COMMENT: IT IS UNLIKELY THAT A COMPLETE RETURN TO NORMAL OPERATION WILL BE EFFECTED IN THE MARACAY TEXTILE INDUSTRY UNTIL THE DISPUTE IS RESOLVED BETWEEN LABOR AND MANAGEMENT OVER THE ISSUE OF THE DISMISSED WORKERS. APPARENTLY BOTH MANAGEMENT AND THE NATIONAL TRADE UNION LEADERSHIP HOPE THIS CAN BE ACCOMPLISHED WHEN TEMPER COOL.

CONFIDENTIAL

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PAGE 01 CARACA 08517 02 OF 02 261920Z
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INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07
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USIA-06 AID-05 COME-00 EB-08 LAB-04 SIL-01 INT-05
GSA-02 PC-01 AGRE-00 MCT-01 FEA-01 OES-07 /096 W
-----075764 261939Z /53

R 261728Z AUG 77
FM AMEMBASSY CARACAS
TO SECSTATE WASHDC 8976
INFO AMEMBASSY KINGSTON
AMEMBASSY BOGOTA
USCINCSO QUARRY HEIGHTS CZ
USCINCLANT NORFOLK VA

CONFIDENTIAL SECTION 2 OF 2 CARACAS 8517

4. BOMB EXPLODES DURING PEREZ SPEECH. A SMALL BOMB EXPLODED WHILE PRESIDENT PEREZ WAS MAKING A SPEECH AT THE VALERA, TRUJILLO STATE AGROINDUSTRIAL FAIR ON AUGUST 19. INITIAL PRESS REPORTS SAID THAT THE BOMB WAS DISCHARGED IN A BATHROOM LOCATED SOME 30 METERS FROM THE PRESIDENTIAL PODIUM AND THAT THREE PERSONS WERE DETAINED FOR QUESTIONING BY THE DISIP. THE PRESS ALSO REPORTED THAT POLICE AGENTS DETONATED ANOTHER BOMB FOUND AT A DIFFERENT SITE ON THE FAIR-GROUNDS, AND THAT LATER IN THE DAY, A YOUNG MAN WAS DETAINED FOR GAINING UNAUTHORIZED ACCESS TO THE PRESIDENTIAL GUEST HOUSE IN VALERA. ALSO ACCORDING TO THE PRESS SEVERAL BOMBS WERE DISCHARGED AT VARIOUS SITES IN CARACAS OVER THE WEEKEND OF AUGUST 20-21.

IN A PRESS CONFERENCE FOUR DAYS AFTER THE EXPLOSION, INTERIOR MINISTER LEPAGE SAID THAT NO ONE HAS YET BEEN ARRESTED IN CONNECTION WITH THE VALERA BOMBING AND HE MAINTAINED THAT THOSE RESPONSIBLE WERE PROBABLY INTERESTED IN CALLING ATTENTION TO SUBVERSIVE POLITICAL PROPAGANDA. HE EMPHATICALLY DENIED THAT A WAVE OF BOMBING WAS SWEEPING THE COUNTRY AND SAID THAT PRESS COVERAGE OF THE INCIDENTS HAS

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PAGE 02 CARACA 08517 02 OF 02 261920Z

BEEN OVERBLOWN.

COMMENT: THE GOV SEEMS INTENT ON KEEPING A LID ON SPECULATION ABOUT TERRORIST ACTIVITY IN THE COUNTRY TO MINIMIZE PUBLICITY THAT COULD INCITE FURTHER ATTACKS.

5. HEAVY FLOOD INUNDATES CARICUAO SECTOR OF CARACAS. A DAY-LONG DOWNPOUR ON AUGUST 20 RESULTED IN THE FLASH FLOODING OF THE SLUM SECTOR OF CARICUAO IN WESTERN CARACAS. THE AREA WHICH IS HOME TO MORE THAN 600,000 CARAQUENOS SUFFERED SUBSTANTIAL PHYSICAL DAMAGE, INCLUDING 6 DEAD, 9 MISSING, THOUSANDS LEFT HOMELESS, AND THE DESTRUCTION OF SEVERAL FACTORIES. PRESIDENT PEREZ MADE A WALKING TOUR THROUGH THE MUDDY STREETS OF CARICUAO ON AUGUST 21 AND ASSUMED PERSONAL RESPONSIBILITY FOR THE GOVERNMENT'S REHABILITATION OF THE AREA. INITIAL CONCERN WAS OVER THE SPREAD OF DISEASE, AND THE MILITARY WERE PLACED IN CONTROL TO CLEAN UP THE AREA AND ROUND UP INHABITANTS FOR TYPHOID INOCULATIONS.

COMMENT: EVERY RAINY SEASON CLAIMS SOME POOR AREA OF THE CITY BY FLOODING, AND THE DESTRUCTION OF CARICUAO WHILE UNUSUALLY SEVERE WAS NOT UNEXPECTED. THE FLOODING OF CARACAS IS SEEN BY SOME AS A HARBINGER OF THINGS TO COME. IN PARTICULAR, THE CITY HAS BEEN AWASH IN RUMORS DURING THE LAST TWO WEEKS THAT THERE WILL BE A MAJOR EARTHQUAKE ON AUGUST 28 WHICH WILL SPLIT THE MOUNTAIN BETWEEN CARACAS

AND THE SEA, THEREBY FLOODING CARACAS. RESPECTABLE
NEWSPAPERS AND JOURNALS HAVE BEEN CARRYING ARTICLES TELLING
THE POPULATION THAT THERE IS NO BASIS FOR SUCH A PREDICTION,
BUT A SUBSTANTIAL EXODUS OF CARACAS DENIZENS IS
EXPECTED OVER THIS WEEKEND.

6. OTHER REPORTING THIS WEEK INCLUDED VENEZUELAN-TRINIDADIAN
FISHING DISPUTE (CARACAS 8291), COPEI NOMINATE HERRERA
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PAGE 03 CARACA 08517 02 OF 02 261920Z

CAMPINS (CARACAS 8490), INDOCHINESE REFUGEES: VENEZUELA
(CARACAS 8300), SOUTHERN CONE EXILES FORM
COORDINATING COMMITTEE (CARACAS 8321), FOREIGN MINISTER
STATES PRESIDENT PEREZ IS PREPARED TO TRAVEL TO PANAMA CANAL
TREATY SIGNING IN WASHINGTON (CARACAS 8434), GOV CHARGES
"CUBANA AIRLINER" DEFENDANTS WITH MILITARY CRIMES (CARACAS
8438), VENEZUELAN-USSR AGREEMENT ON OIL SHIPMENTS TO CUBA
REPORTEDLY IN LIMBO (CARACAS 8370), AND MAJOR PROJECTS-
AIRPORT CONSTRUCTION AND UPGRADING (CARACAS A-120).
FRECHETTE

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Message Attributes

Automatic Decaptioning: X
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
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Subject: THIS WEEK IN VENEZUELA
TAGS: PINS, PINT, EMIN, SWEL, ELAB, VE
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/ca7ae852-c288-dd11-92da-001cc4696bcc
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